



Instrument Control Number

20150400700100

Commonwealth of Virginia

Land Record Instrument

Cover Sheet-Form A

Instrument 201504007
Recorded in the Clerk's Office of
Wise County and the City of Norton
On Aug 20, 2015 at 11:42 AM.
J. Jack Kennedy, Jr., Clerk
Recorded by: April Huff
(Box For Deed Stamp Only)

[efileCX Coverhseet 1.0]

Instrument Type: [ODU]
Number of Parcels [1]
Number of Pages [7]
City ☐ County ☒ [Wise County/City of Norton, VA]

First and Second Grantors

Last Name	First Name	Middle Name	Suffix
[EQUITABLE PRODUCTION COMPANY]	[]	[]	[]

First and Second Grantees

Last Name	First Name	Middle Name	Suffix
[VIRGINIA GAS & OIL BOARD]	[]	[]	[]

Grantee Address (Name) [VIRGINIA GAS & OIL BOARD]
(Address 1) []
(Address 2) []
(City, State, Zip) [] [] []

Consideration[00.00] Assessed Value[00.00]

Prior Instr. Recorded at: City ☐ County ☒ Other ☐

Book [0000] Page[00000] Instr. No.[]

Parcel Identification no. {PIN} [000000]

Short Property Description [ESTABLISHMENT OF A PROVISIONAL DRILLING UNIT; GLADEVILLE

Current Property Address (Address1) [MAGISTERIAL DISTRICT, WISE COUNTY, VIRGINIA.]

(Address2) [SEE DOCUMENT]

(City, State, Zip) []

[WISE] [VA] [24293]

Instrument Prepared by [DEPARTMENT OF MINES, MINERALS AND ENERGY]

Recording Paid for by [DEPARTMENT OF MINES, MINERALS AND ENERGY]

Return Recording to (Name) [DEPARTMENT OF MINES, MINERALS AND ENERGY]

(Address1) [135 HIGHLAND DRIVE]

(Address2) [P. O. DRAWER 159]

(City, State, Zip) [LEBANON] [VA] [24266]



INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQT PRODUCTION COMPANY) VIRGINIA GAS
) AND OIL BOARD
)
RELIEF SOUGHT:	ESTABLISHMENT OF A PROVISIONAL DRILLING)
	UNIT CONSISTING OF 393.39 ACRES DESCRIBED) DOCKET NO.
	AND DEPICTED IN EXHIBIT A (herein "Subject Lands") VGOB 10/10/19-2834
	PURSUANT TO VA CODE § 45.1-361.20;)
	FOR THE DRILLING OF HORIZONTAL)
	CONVENTIONAL GAS WELLS)
)
LEGAL DESCRIPTION:)
)
	SUBJECT DRILLING UNIT SERVED BY)
	WELL: VH-531480)
	TO BE DRILLED IN THE LOCATION)
	DEPICTED ON "EXHIBIT A" HERETO,)
	FLAT GAP QUADRANGLE)
	GLADEVILLE MAGISTERIAL DISTRICT)
	WISE COUNTY, VIRGINIA)

REPORT OF THE BOARD

FINDINGS AND ORDER

1. **Hearing Date and Place:** This matter came before the Virginia Gas and Oil Board (hereafter "Board") for final hearing at 9:00 a.m. on **October 19, 2010** at the Russell County Conference Center, Lebanon, Virginia.

2. **Appearances:** James E. Kaiser, of Wilhoit and Kaiser, appeared for the Applicant. Sharon M.B. Pigeon, Assistant Attorney General was present to advise the Board.

3. **Jurisdiction and Notice:** Pursuant to Va. Code § 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a meaningful search of reasonably available sources to determine the identity and whereabouts of each gas and oil owner, coal owner, or mineral owner entitled by the VA. Code and Board Rules to Notice hereof; and (2) has represented to the Board that it has given notice to those parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code § 45.1-361.19 to notice of the Application filed herein; Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of due process.

4. **Relief Requested:** Applicant request the Board issue an order providing as follows:

An establishment of a provisional unit for the exploration, development and production of conventional natural gas from the pool defined as the top of the Mississippi-Devonian Age formations, including, but not limited to, the Weir, Big Lime, Berea, Devonian Shale, and all zones in communication therewith and all productive extensions thereof (hereinafter the "Pool"), underlying the area, as depicted in Exhibit "A" and described as follows:

Said boundaries are described using the State Plane Coordinate System as required by 4 VAC 25-160-50.5.c.

Beginning at approximate Virginia State Plane Coordinate (NAD 1927, South Zone): N: 284,120.67; E: 781,577.55, thence East to Virginia State Plane Coordinate (NAD 1927, South Zone): N 283,922.22; E 786,162.79; thence South to Virginia State Plane Coordinate (NAD 1927, South Zone): N 280,192.19; E 786,001.35; thence West to Virginia State Plane Coordinate (NAD 1927, South Zone): N 280,390.64; E 781,416.11; thence North to the point of beginning containing 393.39 acres.

Providing that operations under and in accordance with this order shall be regarded and considered as development, operation and production upon all lands included within the subject provisional drilling unit. Production from any wells drilled on operated, or produced from any part of the provisional drilling unit, no matter where located, shall for all purposes be regarded as production from each separately-owned tract within the subject provisional drilling unit. The portion of production produced from and attributed to the provisional drilling unit and any separately owned tract therein, shall be deemed for all purposes to have been actually produced from such provisional drilling unit and tract, and development, exploration or production operation with respect to any portion of the provisional drilling unit shall be deemed for all purposes to be the conduct of such operation for the production of gas from each separately owned tract in said unit.

5. **Relief Granted:** Granting of such other relief as is merited by the evidence and is just and equitable whether or not such relief has been specifically requested herein shall be and hereby is granted.

6. **Special Findings:** The Board finds:

- (1) To Establish a Provisional Drilling Unit pursuant to Va. Code § 45.1-361.20;
- (2) Allow multiple wells within the provisional drilling unit established hereby as depicted on Exhibit "A"
- (3) Approve that the dimensions of the unit be 4590' by 3733'
- (4) That the Unit be established with a 300' interior window with a 600' standoff from horizontal wellbores in adjacent units;
- (5) That the operator be allowed to drill surface locations (top-hole) outside of the unit so long as all production comes from within the interior window of the unit, and
- (6) That there be a minimum of 600' between any horizontal wellbore and any vertical well producing from that horizon and that
- (7) The Order provides for multiple wells for maximum drainage.
- (8) The Board finds the subject drilling unit conforms to the mine development plan and corresponds with mine operations, including, without limitation, the drilling of multiple conventional gas wells in the subject drilling unit.

7. **Conclusion:** Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

8. **Appeals:** Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court.

9. **Effective Date:** This Order shall be effective as of the date of the Board's approval.

DONE AND EXECUTED this 13th day of August,
2015, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Bradley Lambert, Chairman

DONE AND EXECUTED this 13th day of August,
2015, by a majority of the Virginia Gas and Oil Board.

Rick Cooper
Rick Cooper
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF RUSSELL:

Acknowledged this 13th day of August, 2015,
personally before me a notary public in and for the Commonwealth of Virginia, appeared
Bradley Lambert, being duly sworn did depose and say that he is Chairman of the
Virginia Gas and Oil Board and Rick Cooper being duly sworn did depose and say that
he is Principal Executive to the Staff of the Virginia Gas and Oil Board, that they
executed same and were authorized to do so.

Sally Settle Ketron
Sally Settle Ketron

My Commission Expires January 31, 2019

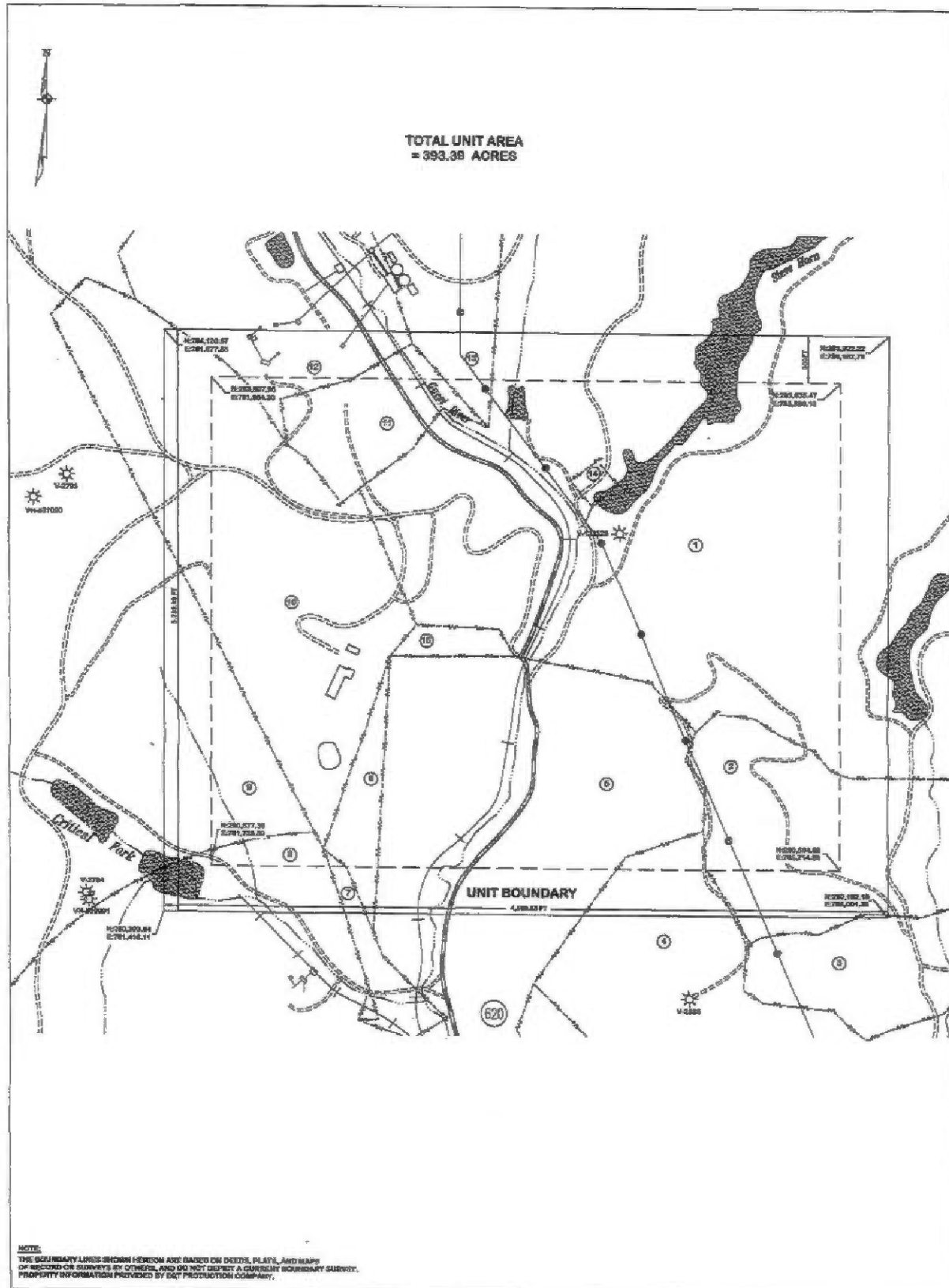
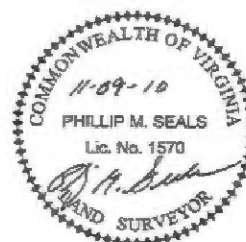


Exhibit A

WELL NAME OR NUMBER _____ (Flowing Fork C&E Grid Numbers: Remainder of AD 37 & AE 37, AD 38, AD 39, AE 38 & AE 39)

COMPANY EQT PRODUCTION COMPANY TRACT NO. PV-704 QUADRANGLE _____ PLAT GAP _____

DISTRICT Gladwin COUNTY Wise SCALE: 1" = 600' DATE 11-09-10



Property Ownership Information

①

LEASE NO. 223096L/ PV-704
S.J. HORN
519.72 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 156.15 AC. 39.69 %

②

LEASE NO. 223096L/ PV-770
JULIA SALYERS, et al.
48.40 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 29.26 AC. 7.44 %

③

LEASE NO. 223096L/ PV-770
W.H. GARDNER, et ux.
22.65 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 0.07 AC. 0.02 %

④

LEASE NO. 223096L/ PV-770
JAMES CHISENHALL
60.25 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 7.27 AC. 1.84 %

⑤

LEASE NO. 223096L/ PV-761
L. ROBERTS
104.10 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 66.91 AC. 17.01 %

⑥

LEASE NO. 223096L/ PV-708
HAGAN
4.00 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 6.56 AC. 1.67 %

⑦

LEASE NO. 223101L
VIRGINIA COAL & IRON COMPANY
P/O 7.7 ACRES
STEINMAN DEVELOPMENT CO.
surface, oil & gas
LEASE NO. 223096L/ PV-772
PENN VIRGINIA OPERATING COMPANY, LLC
coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 0.95 AC. 0.25 %

⑧

LEASE NO. 223101L
STEINMAN DEVELOPMENT CO.
295.00 ACRES
surface, coal, oil & gas
GAS 10.80 AC. 2.75 %

⑨

LEASE NO. 245758L
STEINMAN DEVELOPMENT CO.
705.00 ACRES
surface, coal, oil & gas
GAS 22.54 AC. 5.73 %

⑩

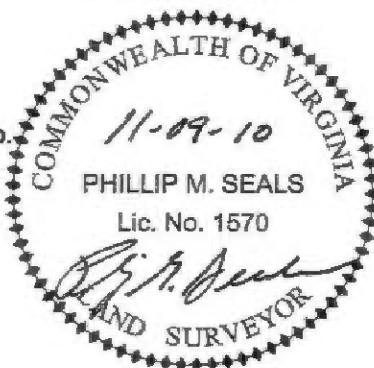
LEASE NO. 223096L/ PV-707
HAGAN
73.86 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 61.19 AC. 15.65 %

⑪

LEASE NO. 223096L/ PV-716
J. LEVITT
12.52 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 14.09 AC. 3.58 %

⑫

LEASE NO. 223096L/ PV-747
W.F. ROBERTS
80.74 ACRES
PENN VIRGINIA OPERATING COMPANY, LLC
oil, gas & coal below DORCHESTER SEAM
DELTA RESOURCES INC. - coal DORCHESTER SEAM & above
GAS 9.61 AC. 2.44 %



Property Ownership Information**13**

LEASE NO. 223096L/ PV-709

HAGAN

145.90 ACRES

PENN VIRGINIA OPERATING COMPANY, LLC

oil, gas & coal below DORCHESTER SEAM

DELTA RESOURCES INC. - coal DORCHESTER SEAM & above

GAS 4.13 AC. 1.05 %

14

LEASE NO. 223096L/ PV-701

WISE COUNTY SCHOOL BOARD

1.08 ACRES

PENN VIRGINIA OPERATING COMPANY, LLC

oil, gas & coal below DORCHESTER SEAM

DELTA RESOURCES INC. - coal DORCHESTER SEAM & above

GAS 1.05 AC. 0.27 %

15

LEASE NO. 223096L/ PV-762

HAGAN

3.606 ACRES

PENN VIRGINIA OPERATING COMPANY, LLC

oil, gas & coal below DORCHESTER SEAM

DELTA RESOURCES INC. - coal DORCHESTER SEAM & above

GAS 2.81 AC. 0.71 %

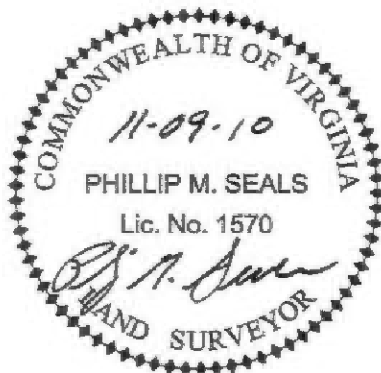


EXHIBIT "B"
VGOB 10/10/19-2834
VH-531480

Penn Virginia Operating Co., LLC
Attn: John Keith
Seven Sheridan Square Suite 400
Kingsport, Tennessee 37660

Steinman Development Company
Attn: Jim Sykes
P.O. Box 249
Norton, V.A. 24273

Recorded in the Clerk s Office of
Wise County and the City of Norton
On Aug 20, 2015 at 11:42 AM.
J. Jack Kennedy, Jr., Clerk
Recorded by: April Huff